

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

ACMA USA, INC.,

Plaintiff/Counterclaim Defendant,

v.

Civil Action No. 3:08CV0071

SUREFIL, LLC,

Defendant/Counterclaim Plaintiff.

**EXCERPTS FROM THE DEPOSITION OF
BRUCE ALAN HOUSEMAN TO BE READ INTO EVIDENCE**

Pursuant to the Court's Pretrial Scheduling Order, Defendant, Surefil, LLC, served designated deposition testimony of Bruce Alan Houseman on Plaintiff, ACMA USA, Inc. ("ACMA"), on October 29, 2008, to which ACMA did not object or serve counter-designations.

Defendant hereby submits the designated deposition testimony of Bruce Alan Houseman, which was stenographically recorded on August 19, 2008, to be read into evidence during the trial of this case.

Page 5:

3 Q. State please, sir, your full name?

4 A. Bruce Alan Houseman

9 Q. And are you presently employed by Surefil, LLC?

10 A. Yes.

11 Q. What is your current position?

- 12 A. My position is titled maintenance -- I consider it
13 maintenance manager, but it's titled manufacturing engineer
14 manager.
- 15 Q. How long have you been employed by Surefil?
- 16 A. Probably the third week of November, 2006.
- 17 Q. Are you a high school graduate?
- 18 A. Yes.
- 19 Q. Do you have any formal education after high school?
- 20 A. Just training courses related to the jobs that I've done in
21 the past.
- 22 Q. And would you summarize for us, please, your employment
23 since graduating from high school prior to going to work for
24 Surefil?
- 25 A. I went to a company called Keeler Brass here in Kentwood.

Page 6:

- 1 Do you want the address?
- 2 Q. No, that will be okay.
- 3 A. Okay. And I worked there until August of 2006. It had
4 changed names several times. It had gone from FKI
5 Automotive after Keeler Brass to Trident Automotive to
6 Trident Lighting; and that was the last name of the company
7 that I worked at.
- 8 Q. And what were the positions that you had at that series of

9 related companies?

10 A. I was a maintenance supervisor for approximately the last

11 six years there.

12 Q. And during your initial time there what were you?

13 A. Oh, I'd done numerous jobs from driving forklift to working

14 in the stockroom, managing the stockroom, working as a setup

15 technician on robots, which were glue machines for

16 assembling automotive headlights. And that sort of led to

17 me getting into the maintenance department approximately

18 13 years ago; and since, I had worked with assembly

19 equipment, because we produced forward and aft automotive

20 lighting due to -- with molding, metalizing, and assembly,

21 full assemblies of the forward, aft, and turn signals of

22 cars and trucks.

Page 17:

15 Q. Do you recall when the ACMA machine arrived at Surefil, that

16 time frame?

17 A. Yeah, it seems that it was early April.

18 Q. And do you recall the period of time when the machine was

19 installed and support systems for the machine, connecting it

20 to the line?

21 A. Yeah, I think that was closer to mid-April.

Page 19:

18 Q. Do you have any knowledge of problems with the machine

19 during the initial few months of operation?

20 A. Yes, I do.

21 Q. And how did you obtain that information?

22 A. By being around there. And a blower quit working on the

23 conveyance of the caps, so we couldn't shoot them down the

24 cap rail. And I found a smaller blower, and I believe it

25 was Tommy Hench that hooked that up at the time. So I – I

Page 20:

1 remember that. Maybe numerous other things, but I don't

2 recall them right now.

3 Q. And did there come a time when your job responsibilities

4 included actual maintenance for the ACMA machine?

5 A. Yes.

6 Q. And do you recall approximately when that occurred?

7 A. Sometime in May.

11 What were the responsibilities that you assumed in

12 May of 2007 with respect to the ACMA machine?

13 A. Make sure that the preventive maintenance was understood and

14 implemented.

Page 21:

7 Prior to the time that you assumed the

8 responsibilities you've just testified about with respect to
9 the ACMA machine in or about May of 2007, did somebody else
10 have those responsibilities?

11 A. Early on, the technicians -- whether it be Tommy or Bill
12 Fenner, Tommy Hench or Bill Fenner, or maybe Mr. Saccani or
13 Andrea -- they were all there in those times. That's when
14 we could try to get information off of them as -- as related
15 to preventive maintenance, learning the machine. And -- but
16 the time frame, and to answer your question, it would have
17 probably been considered my job by me to take on the
18 preventive maintenance of that machine --

19 Q. So you --

20 A. -- as soon as possible.

21 Q. So you did not take the place of any Surefil employees; you
22 were in fact the first Surefil employee with that
23 responsibility?

24 A. As far as I can recall.

25 Q. Now, do you recall the ACMA machine being used for

Page 22:

1 production during the installation stages of the machine?

2 A. Would you define what you mean by production?

3 Q. Put liquid in a bottle --

4 A. Okay.

5 Q. -- so it can be placed in a pack and sold to a customer of
6 Surefil.

7 A. For a very short period of time, yes.

8 Q. And what -- how short a period of time was that?

9 A. It could run for less than an hour, it could run for a few
10 hours.

11 Q. Do you recall, during this time, that the machine was being
12 operated by ACMA personnel as opposed to Surefil personnel?

13 MS. WILLIAMS: He's limiting this question to the
14 time of installation, so the record is clear.

15 A. Okay. Well, then I would think that we would have been the
16 hands-off approach and in the learning mode at that time.

17 That's all I can recall.

Page 26:

20 Q. Do you recall when Surefil went to one shift a day on each
21 of these two production lines?

22 A. Yes, I do.

23 Q. When was that?

24 A. Earlier this year, 2008. But as far as pinpointing it down
25 to the month, I -- I remember when we did it, but I couldn't

Page 27:

1 give you the exact date.

2 Q. Was there any explanation given for why Surefil was

3 implementing one shift per day?

4 A. Yeah, there was a reason.

5 Q. And what was that reason?

6 A. Loss of business.

7 Q. And from whom did you obtain that information?

8 A. From -- probably from Bill Hunt.

9 Q. And did he give you any details as to the nature of that

10 loss of business?

11 A. Yes, he did.

12 Q. And what were those? What did Mr. Hunt tell you?

13 A. We were not able to meet our orders.

14 Q. Was this a discussion between Mr. Hunt and you, or was there

15 some other form in which you gained this information?

16 A. Multiple times I heard this, both one on one and

17 corporately.

18 Q. And did he give you any details as to why he felt Surefil

19 was not able to meet its orders?

20 A. Underperformance of our equipment.

21 Q. And did you have any discussions with Mr. Hunt, at or about

22 the time that he was explaining to you the loss of business

23 and underperformance of equipment, as to how the equipment

24 could perform better?

25 A. Every day.

1 Q. And what was the nature of that discussion?

2 A. What can we do to meet our customers' needs for the amount
3 of product we produced. Because we fell so short.

4 Q. And did you discuss with Mr. Hunt any curative actions?

5 A. Several.

6 Q. And what were some of the actions that you proposed to
7 Mr. Hunt?

8 A. That we get our equipment to run, not even up to its
9 capabilities, I know that's a definition all of its own, but
10 to even get to 60 percent of our capabilities.

11 Q. And are you referring to the ACMA machine when you talk
12 about -- or are you referring to other machines as well?

13 A. I am referring predominately to the ACMA machine.

14 Q. Well, tell me, is -- is the Ronchi machine capable of doing
15 similar bottling and capping to the ACMA machine?

16 A. The difference between the Ronchi and the ACMA, the Ronchi
17 has 18 heads, is capable of doing speeds of 180 bottles a
18 minute, has a six-head capper. It fills through a -- has to
19 be what would be considered a conductive product, be
20 anything that's water-based, you could not run baby oil,
21 motor oil through it. So it's restricted in that respect.

22 Where the ACMA filler has 28 heads, 12 capper, you

23 can debate the 240 bottles a minute, but it's -- fills by
24 a -- a weigh cell or a load cell. And it's probably a
25 little bit more precise, definitely if you're producing

Page 29:

1 something that isn't conductive.

2 But those are the two differences between the
3 machine, the main differences in the machine. The ACMA is
4 faster in filling by weigh/load cells, it is a -- a little
5 bit more accurate as far as grams.

6 Q. What products in particular were you -- are you aware of
7 that were manufactured on the ACMA machine that could not
8 have been manufactured on the Ronchi machine?

9 A. Body lotions, baby oils. Anything that's not conductive. I
10 go through a conductivity meter to determine that the Ronchi
11 Dosi-Mag magna flow meters are -- have to have what's called
12 5 microsiemens of conductivity to be able to operate and
13 function properly. A minimum of.

14 Q. And by conductivity you're referring to conductivity of
15 electricity?

16 A. Yes. Resistivity/conductivity.

Page 33:

24 Q. Did you ever have occasion to contact ACMA with regard to
25 support requests?

Page 34:

1 A. Yes.

2 Q. Did you find ACMA was responsive to those support requests?

3 A. ACMA Italy.

4 Q. That means the answer was, yes, ACMA Italy was responsive to
5 the support requests?

6 A. Yeah, Mr. Saccani was. He was the brains behind this.

7 Q. And after you consulted with Mr. Saccani, did his advice,
8 when implemented, leave the ACMA machine in a better
9 condition than before you had consulted Mr. Saccani?

10 A. At times.

Page 34:

20 Q. Now, there has been some discussion of servo motors burning
21 out on the capper. Are you familiar with that?

22 A. Yes.

23 Q. How many of these have burned out to your knowledge in the
24 year that the machine -- the year-plus that the machine has
25 been at Surefil?

Page 35:

1 A. In the range of five to seven, I would say. Somewhere
2 between five and seven.

24 Q. And do you recall there being any issues with bushings that
25 were related to the burnouts of the capper motors?

1 A. Yes, I do.

2 Q. And what is it that you recall about that?

3 A. I recall even bringing the Elau representative in. And we
4 didn't understand it was the bushings right away. And he
5 walked over and touched the motors, and he was -- said, you
6 should have that top open to let that heat out, that's too
7 much heat for those motors. And I have the guy's name in my
8 desk, but I don't recall it right now.

9 And we couldn't really open up the top because of
10 liquid coming in and damaging it, so we opened up the side
11 doors. And at that point in time we realized that there was
12 a lot of heat due to -- this was after probably the second
13 or third motor that we had taken out. Bill Fenner, I called
14 him and said, look, something's going on because these
15 things are getting awful hot. And at that point he asked me
16 about -- Italy wanted him to change the bushings out, and
17 that's how I learned that the bushings were undersized.

18 Q. And do you recall Tommy Hench coming to Surefil and
19 replacing the bushings?

20 A. I recall him being there, yes.

21 Q. And that was about September of 2007?

22 A. I don't recall the date.

23 Q. And how many of the capper motors have burned out since

24 then?

25 A. I replaced a cord set on one.

Page 37:

1 Q. What is a cord set?

2 A. That's -- it's -- has a plug, it goes into the top of the

3 servo motor drive, and then it comes down and communicates

4 with the rest of the system, with the Elau system. And I

5 know I replaced a cord set; I could have replaced a servo

6 motor. Maybe two cords and -- and a -- and a motor.

7 Q. So would it be fair to say that the -- that after Mr. Hench

8 replaced the bushings that there were few if any server

9 motor problems after that date?

10 A. It was better.

Page 38:

3 Q. Were there any problems that, when ACMA was responding to

4 Surefil, that in your view were not resolved?

5 A. Yes, several.

Page 39:

12 Q. Were there other areas of the machine where ACMA did not

13 institute a fix or -- a fix in the larger part?

14 A. I think numerous e-mails at one time. We had -- we had load

15 cell problems, and it -- and it might go back to head number

16 25, it may go back to head number 1 again also. And we were
17 trying to get some help out of Bill and -- and/or Tommy on
18 the phone, and I -- I couldn't get ahold of them. I could
19 the first time, but I couldn't get ahold of them after that.
20 So we ended up calling Bob Farmer, Martin Chism;
21 we sent a -- talking to Italy, to get them rolling, to try
22 to get us some help on what was wrong with these load cells.
23 And so there was numerous times I could not -- just could
24 not get ahold of Bill on his cell phone.

Page 40:

10 Q. Not respond to in a way that might not have been
11 satisfactory to you but not respond to at all.
12 A. We've had some temporary fixes. Would that qualify?
13 Q. Well, sir, I'm -- I've -- all I can do is --
14 A. I --
15 Q. -- ask the question.
16 A. Okay. Well, we've had numerous problems with head
17 number 25, and it's been intermittent. We moved the cards,
18 even when Andrea was here, we switched the cards on -- that
19 are called the 2KF cards. And on there there's 12 load
20 cells on each card. But seeing there's only 28, it's 1
21 through 12, 13 through 24, 25, 6, 7, and 8 on those cards.
22 And when Andrea came here and got the Pro-Face

23 software going, he -- he tore those cards out and he put
24 them out of position from 1, 2, 3, which is -- 1 being 1
25 through 12, 2 being 13 through 24, 3 being 25, 6, 7, and 8.

Page 41:

1 And he swapped them to 1, 3, 2. So we were off by 8, a
2 count of 8, because of the difference between the 4 and the
3 12 on those two cards.

4 And we have recently put them back, and we just
5 never got head 25 to work properly. And right now it's head
6 13 because we swapped the cards back. Paul did that.

7 Q. Are there other areas where you believe ACMA did not respond
8 to legitimate repair quests -- repair requests? Excuse my
9 pronunciation.

10 A. Regarding the Omron camera system, yes. It just wouldn't
11 hold the program. I -- I've seen e-mails that said that it
12 did, but we brought a guy in from Omron, a camera specialist
13 even, and he wasn't much help to us.

14 So we got a guy from Grand Technology, who had
15 never seen the camera before but was familiar with cameras.
16 And he walked right over and said, we have it in
17 picture-in-picture, it was wired for picture-in-picture
18 mode. And at a -- we'll say we're running 180 bottles a
19 minute, that would have resolved all of our issues, and

20 it -- it couldn't run in picture-in-picture mode, and it
21 would pick up the difference between the flip-top cap on
22 that Tahitian Body Renewal Caress, 12- or 18-ounce, the
23 difference between the hinge on the back and the flip on the
24 front of the cap.

25 So we were not able to get any -- any -- as far as

Page 42:

1 I know, any adequate help, even from Mr. Saccani on that.

Page 45:

9 Q. Has there been any discussion internally at Surefil, with
10 which you're aware, about what should be done with the ACMA
11 machine ultimately?

12 A. I think there's been some discussion, yes. Quite a bit.

13 Q. And what is the nature of that discussion?

14 A. The nature is, is do we even want to keep it.

15 Q. And with whom have had -- had you -- with whom have you had
16 that discussion?

17 A. Mr. Hunt.

18 Q. And when was the last time you discussed with Mr. Hunt
19 whether he wanted to keep the ACMA machine?

20 A. Several weeks ago.

21 Q. And what did Mr. Hunt tell you?

22 A. I think he asked for my opinion. He had his own, but he

23 asked for my opinion.

24 Q. And what was Mr. Hunt's opinion?

Page 46:

2 A. I think it was going to be an opinion based on all the
3 information he could collect from the people that worked
4 with the machine, to be honest with you.

6 Q. And you said he had his opinion. That --

7 A. Yeah, I think he was --

8 Q. I took that to mean --

9 A. -- forming it.

10 Q. -- that he already had an opinion.

11 A. Yeah, but I'm talking about he would do that. He would ask
12 various people, what do you think. Because he's not a
13 technical person as far as -- he knows a lot about the
14 equipment, but as far as the mechanics or the electronics,
15 not as much. So he would trust other people's opinions.

16 Q. Well, did he ever share with you his opinion?

17 A. His -- the opinion he shared with me was, we need to get
18 this thing running a minimum of 180 bottles a minute, he
19 said, because then we can produce and keep our customers
20 satisfied and we could keep our jobs. That's what he shared
21 with me over and over again.

22 Q. So he did not share with you his plans for the ACMA machine?

23 A. No.

24 Q. What was the opinion you expressed to Mr. Hunt?

25 A. At what time, you know? I mean, 2007?

Page 47:

1 Q. When you had this -- when you had this conversation a few
2 weeks ago.

3 A. Well, we -- a few weeks ago my opinion would be based on,
4 can we get any technical service. We've got proprietary
5 issues on the HMI. We can take care of probably everything
6 but the 2KF boards, the motherboard, anything that happens
7 with the PC. But -- we can't get into the program to there,
8 but we can get into the program for the Allen-Bradley
9 software that's in the Slick 500, 505, the
10 Micrologic's 1500. We can fabricate, we can do everything
11 as far as making parts, but we were inhibited by support for
12 the electronics portion of it.

13 Q. And what was your opinion on what should be done with the
14 ACMA machine given the considerations you have just
15 outlined?

16 A. If we can't get it supported, it's a time bomb waiting to go
17 off for us. I mean, it's going to put us -- it's going to
18 put us in a position of losing more business if we can't get
19 it up and running.

3 Q. In January of 2008 do you recall there being a problem with
4 the ACMA machine insofar as a burnout of a computer?

5 A. I do recall that, yes.

6 Q. And what role did you play with respect to that?

7 A. Digging through the PC, trying to find a way to dump the
8 program back into it when we kept coming up with a -- what
9 is called, on the 2KF board, being three of them, state
10 parameter errors, and also on the OLA, which is the reject
11 system. We were getting state parameter errors, one right
12 after another.

13 Several times we -- we've done several things: we
14 got on the phone with Mr. Saccani, we ended up replacing
15 a -- what's called a Nikan card, under the assumption that,
16 if we replace that card in the module, in the little slot,
17 and we dump the program, although it was a different
18 revision, back into it, that we would be able to at least
19 have a chance at getting -- resurrecting that Pro-Face
20 software state parameter error.

21 And after numerous attempts, we -- we wondered
22 what we could have done wrong, and we ended up -- that's
23 when we got ahold of Italy, after numerous attempts to -- to
24 try to fix it ourselves, that we replaced the whole HMI

25 unit. And that's when Andrea came in and Paul worked

Page 61:

1 strictly with him on that whole -- on that whole setup of
2 that new HMI.

3 And I think he brought with him also another Nikan
4 card. And currently -- we looked at the current Pro-Face
5 HMI, and it looks like it's good, but we haven't hooked it
6 up to the 2KF boards to come up -- see if we still have the
7 state parameter error on it yet. So he got it up and
8 running after a few days.

9 He did everything that we did: tracked the 2KF
10 boards, checked the wiring back -- but that's what I don't
11 understand, why he didn't see the -- the wires that went in
12 to each one of the boards, the 24 plus, 410 I think,
13 24 negative, 411, one going to each board. They weren't
14 bundled up together with the rest of the bundles, wiring.
15 And one of them was ripped off, and six other wires -- I
16 know I'm saying seven wires right now -- six other wires
17 were frayed. But one of the wires was not frayed on the
18 411 negative side, I think -- I'm trying to recall all this
19 from memory -- and two other wires, a left and a right, were
20 frayed, but only one of them completely severed. And I butt
21 spliced it back on with Paul. Paul was under there doing

22 the work, and I was handing him all the wiring. You
23 probably seen copies of pictures and all that stuff. But
24 that's --
25 Q. And that was --

Page 62:

1 A. -- was the extent, that time.

SUREFIL, LLC,

By /s/ Christine A. Williams
Of Counsel

Bruce M. Marshall, Esquire (VSB #18093)
Christine A. Williams, Esquire (VSB #47074)
DuretteBradshaw, PLC
600 East Main Street, 20th Floor
Richmond, Virginia 23219
Telephone: (804) 775-6900
Facsimile: (804) 775-6911
bmarshall@durettebradshaw.com
cwilliams@durettebradshaw.com
Counsel for Defendant

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of November, 2008, I will electronically file the foregoing with the Clerk of Court using the CM/ECF system, which will then send a notification of such filing (NEF) to:

W. R. Baldwin, III, Esquire
W. Reilly Marchant, Esquire
Marchant, Honey & Baldwin
5600 Grove Avenue
Richmond, Virginia 23226

/s/ Christine A. Williams
Christine A. Williams, Esquire
DuretteBradshaw, PLC
600 East Main Street, 20th Floor
Richmond, Virginia 23219
Telephone: (804) 775-6900
Facsimile: (804) 775-6911
cwilliams@durettebradshaw.com